

Placer County Affordable Housing Strategy Executive Summary

In 1996, the Placer County Board of Supervisors (BOS) approved the formation of the first of three major redevelopment projects designed to stimulate economic growth, and to eliminate blighted and underdeveloped conditions. A major by-product of these redevelopment programs is the production of low and moderate-income housing funds. California Redevelopment Law mandates that twenty percent of the tax increment funds generated within each redevelopment project area must be set-aside for affordable housing purposes.

In addition to the funding produced by redevelopment, minimum affordable housing production quotas are mandated for redevelopment project areas in which new housing is produced. In 1998, these new factors, combined with a variety of on-going affordable housing activities within Placer County, prompted the County to initiate a comprehensive review of all of its affordable housing implementation policies and activities. The goal of this effort is to establish a rational, well-crafted, and cohesive long-term housing program based on needs and conditions unique to Placer County, and on the County's capacity to effectively deliver programs.

Affordable housing goals and policies that are contained throughout the Placer County Housing Element, its various community plans, and redevelopment plans. The goals and policies are reviewed, summarized and categorized as *regulatory actions*, *public resource expenditures*, or *organizational policies*. The policies indicate substantive support for affordable housing programs.

The housing element addresses the variety of on-going, affordable housing programs in Placer County. It identifies the range of programs that are potentially available to be implemented within the County, the areas for which they are most suitable for each particular program, and the method of program delivery.

The Redevelopment Agency housing program focuses on:

- The preservation of the existing housing stock through the rehabilitation of substandard housing.
- The delivery of first-time home ownership programs which target low- and moderate- income families.
- Assisting in the production of new rental housing within target communities.

The programs recommended Countywide, and for the three redevelopment areas are as follows:

Placer County Affordable Housing Priorities

| Location | 1 st Priority | 2 nd Priority | 3 rd Priority |
|-----------------------|---|--|--|
| North Auburn RDA | Production of New Affordable Housing | First-time Homebuyer Assistance Program | Housing Rehabilitation |
| North Tahoe RDA | Housing Rehabilitation | First-time Homebuyer Assistance Program | New Low-Income Employee and Seniors Housing |
| Sunset Industrial RDA | Establish Fund for Rental Housing Development for New Employees | Rehabilitation of Existing Housing in Sheridan and Other Unincorporated Areas Near the Industrial Area | Establish Fund for New Employee Targeted First-Time Homebuyer Assistance Program |
| Countywide | Housing Rehabilitation | New Affordable Rental Housing | First-time Homebuyer Assistance Program |

A primary concern is to comply with the regulatory housing requirements of Redevelopment Law. Additionally, as part of its review and approval of the strategy, the Board of Supervisors adopted the following policy guidelines for the implementation of Placer County's Affordable Housing Strategy:

- No public ownership of housing - the mission is to provide assistance to private and non-profit affordable housing development interests
- Begin with small projects to build success, staff expertise and minimize financial risk
- In rehabilitation activities provide low-interest loans rather than grants to allow growth of the capital available for housing programs
- In construction activities highly leverage private sector and other public sector funding sources - use loans/grants to purchase long-term affordability covenants
- Redevelopment Housing set-aside funds will be used to match and maximize leverage of private sector, non-profit, federal, and state funding sources

- As the County has given a significant amount of general fund capacity to the Redevelopment Agency as part of the state established funding formula, no additional County general funds will be used to subsidize the housing program

Placer County Redevelopment and Housing Organizational Chart

